



# MEDIA RELEASE

STATE OF TENNESSEE  
DEPARTMENT OF REVENUE

FOR IMMEDIATE RELEASE  
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## TENNESSEE DEPARTMENT OF REVENUE PROVIDES ANALYSIS OF MAY 2003 COLLECTIONS

NASHVILLE, Tenn. — May 2003 collections of the Tennessee Department of Revenue were \$681,535,960, an increase of \$89,080,898 or 15 percent over May 2002 collections.

Sales and use tax collections were \$451,473,039, up \$65,727,286 or 17 percent over May 2002 collections. Tax rate increases accounted for more than 90 percent of the increased collections, with \$57,701,595 due to the 1 percent tax increase and \$3,994,962 due to the single article tax. Including tax changes from the 2002 session, the retail trade group was up 19.1 percent over collections from last year. Contributing to the rise were auto dealers and service stations (up 25.7 percent), general merchandise stores (up 16.6 percent), miscellaneous retail stores (up 21.9 percent), and eating and drinking places (up 19.9 percent). Sales tax receipts from the services group were up 10.7 percent over collections in May 2002, with auto repair, services and parking (up 12.4 percent) and hotels and lodging places (up 16.7 percent) accounting for the greatest portion of the rise. The non-retail, non-services group was up 18.8 percent, led by communications (up 22.5 percent), manufacturing (up 20.7 percent), and wholesale trade (up 14.2 percent).

Franchise and excise tax collections were \$46,054,352, up \$12,716,711 or 38.1 percent when compared to May 2002 collections. Separately, the franchise tax collections were \$19,724,349, up \$5,435,601 or 38 percent over last year. Excise tax collections were \$26,330,003, an increase of \$7,281,110 or 38.2 percent over May 2002 collections.

Privilege tax collections increased \$12,161,141 or 40.7 percent over last year's collections to a total of \$42,054,163.

Tobacco tax collections were \$10,347,204, surpassing last year's collections by \$3,570,106 or 52.7 percent.

Gasoline tax collections were \$53,419,357 in May 2003, up \$2,091,116 or 4.1 percent over May 2002 collections.

Inheritance, gift and estate tax collections were \$6,034,701, a decline of \$5,381,520 or 47.1 percent from May 2002 collections.

Motor vehicle fuel tax collections decreased \$1,138,885 or 7.4 percent from May 2002 levels to a total of \$14,172,256.

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Collections from the Hall income tax were \$3,507,653, down \$1,001,098 or 22.2 percent from last year's collections.

The Department of Revenue collects approximately 92 percent of total state tax revenue. During the 2001-2002 fiscal year, the department collected \$7.4 billion in state taxes and fees. In addition to collecting state taxes, more than \$1.4 billion in local sales tax was collected by the department for local governments during the 2001-2002 fiscal year. In addition to collecting taxes, the department enforces the revenue laws fairly and impartially in an effort to encourage voluntary taxpayer compliance. The department also apportions revenue collections for distribution to the various state funds and local units of government. To learn more about the department, log onto [www.Tennessee.gov/revenue](http://www.Tennessee.gov/revenue).

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